(a) whether the Government of Andhra Pradesh and National Textile Corporation have reached a Memorandum of Understanding for modernisation of Ajamjahi Mills, establishment a new spinning mill at Hyderabad and modernisation of four spinning mills under the control of National Textile Corporation in the State; and

(b) if so, the details thereof and the action taken thereon so far?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) and (b). a proposal envisaging signing of a Memorandum of Understanding between Government of Andhra Pradesh and National Textile Corporation for revival of NTC mills was considered by the Government of India. It was viewed that modernisation of NTC mills has to be done on the basis of specific project proposals with support from the Financial Institutions. It was also felt that the package of financial requirements and concessions etc. will be drawn up on unit–by–unit basis and only such unit–wise Memorandum of Understanding would be entered into if found feasible and essential. In view of this, it was decided that the stage for a Memorandum of Understanding proposed to be signed between NTC and Government of Andhra Pradesh has not yet been reached.

Complaints about rigging the elections

2512. SHRI GEORGE FERNANDES: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the government have received any complaints about rigging in the recent elections;

(b) if so, the details thereof; and

(c) the steps proposed to be taken by the Government to prevent rigging?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS AND PARLIAMENTARY AFFAIRS (SHRI RANGARAJAN KUMARAMANGALAM): (a) and (b). Though the Government as such has not received any complaints directly, there appear to be some complaints made to other agencies about rigging in the recent elections. The information will be collected and placed on the Table of the House.

(c) The steps to be taken by the Government to prevent rigging in elections will b a part of the indepth study with reference to electoral reforms which the Government intends to take up soon.

[*Translation*)

Selling of Janata Cloth in Rajasthan

2513. SHRI DAU DAYAL JOSHI: Will the Minister of TEXTILES be pleased to state:

(a) whether the Janata Cloth is being sold in Rajasthan during the last three years;

(b) if so, the details of cloth varieties and the agencies through which such cloth is being sold there;

(c) whether a number of complaints of irregularities and bunglings have been received by the Government in the sale of Janata cloth;

(d) if so, whether any action has been taken by the Government in this regard; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) Yes, Sir.

(b) The Rajasthan Handloom Development Corporation, Jaipur and the Rajasthan Rajya Bunkar Sahakari Sangh Ltd. Jaipur are the two implementing agencies producing janata cloth including cotton items like Dhoti, Saree, Long cloth, Odhani, Lugidi, Ghagra and Phachara and Woollen items like Blankets, Shawl, Lohi and tweed. The janata cloth produced in Rajasthan is sold through Fair Price Shops and the retail outlets of Rajasthan Cooperative Federation and National Handloom Development Corporation. The implementing agencies in the State are also allowed to sell normally a maximum of 15% of their total production through their own outlets.

(c) to (e). Central Government has not received any specific complaint against any irregularity in the distribution of janata cloth in Rajasthan. However, at the instance of Central Government, a State Level Committee under the Chairmanship of Secretary (Industries) Government of Rajasthan, was constituted to carryout a number of functions including monitoring the performance of distribution arrangements.

[*English*]

Rates of Interest of Primary Urban Cooperative Banks

2514. SHRI SHRAVAN KUMAR PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether following the increase in interest rates on loans, the Reserve Bank has raised the interest rates on deposits as well as on loans and advances of primary urban cooperative banks also; and

(b) if so, what are the revised rates and the extent of increase over the previous rates?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b). The information is being collected and will be laid on the Table of the House to the extent possible.

[*Translation*]

Rate of Interest of Bank Loans

2515. SHRI SUSHIL CHANDRA VARMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the rate of interest charged on the loans given by nationalised banks differ from bank to bank;

(b) if so, the reasons therefor;

(c) whether the Reserve Bank has any check on the rates of interest charged on the loans by the foreign banks, and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir. Subject to a minimum of 20% p.a. the banks are free to charge any interest rate for advances over Rs. 2 Lakhs.

(b) to (d). The Reserve Bank of India has removed the ceiling on rate of interest and stipulated a minimum rate of interest at 20% p.a. for advances over Rs. 2 Lakhs with a view to introducing an element of competition among the banks in the matter of charging interest on such advances. The banks use this discretion judiciously, keeping in view their funds position and also services rendered by them. The directives on rates of interest on advances issued by Reserve Bank of India are applicable to all Scheduled Commercial Banks including Foreign Banks